UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES POLO ASSOCIATION, INC., et al.,

Plaintiffs,

- against -

PRL USA HOLDINGS, INC. and L'OREAL USA, INC.,

Defendants.

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09 Civ. 9476(RWS)

OPINION

A P P E A R A N C E S:

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Sweet, D.J.,

Plaintiffs United States Polo Association, Inc. and USPA Properties, Inc., along with Intervenor JRA Trademark Company, Ltd. (collectively, the "USPA," the "USPA Parties," or the "Plaintiffs"), have moved for judgment as a matter of law, seeking an order denying the contempt application filed by Defendant PRL USA Holdings, Inc. ("PRL" or the "Defendant"). For the reasons set forth below, the motion, treated as one for summary judgment, is denied.

Background and Prior Proceedings

The tangled, 32-year history of litigation between the parties is set out in detail in the Court's March 6, 2013 Opinion granting contempt sanctions against the USPA. See U.S. Polo Ass'n Inc. v. PRL USA Holdings, Inc., No. 09 Civ. 9476, 2013 WL 837565, at *1-6 (S.D.N.Y. Mar. 6, 2013) (the "SDNY Contempt Opinion"). Briefly summarized, the dispute concerns whether and how the logos used by the USPA, the governing body for the sport of polo in the United States, infringe on the horseman logo trademarked by PRL, a major fashion and apparel company.

The USPA first sued PRL in 1984, seeking a declaratory

judgment stating that its merchandise, which included a logo of a mounted polo player, did not infringe on PRL's horseman logo, which consists of a mounted polo player riding toward the viewer, with his mallet raised. See U.S. Polo Ass'n, Inc. v. Polo Fashions, Inc., No. 84 Civ. 1142, 1984 WL 1309 (Dec. 6, 1984). The Honorable Leonard B. Sand issued an injunction (the "1984 Injunction") which prohibited the USPA from, inter alia, "using any of the [PRL marks] or any name or mark or symbol which is confusingly similar thereto, in connection with the sale . . . of any goods or the rendering of any services." SDNY Contempt Opinion, 2013 WL 837565, at *1. As the Second Circuit noted, "[w]hile the 1984 Injunction applied to all markets, the term 'confusingly similar' was not a bright line." U.S. Polo Ass'n, Inc. v. PRL USA Holdings, Inc., 789 F.3d 29, 31 (2d Cir. 2015).

Litigation began again in 2000, when PRL brought a lawsuit seeking to bar the use of the USPA's name and its logos - including its "Double Horseman Mark," which features two polo players riding toward the viewer, with the one in front raising his mallet - on apparel and related products. While the parties reached a settlement agreement which incorporated the 1984 Injunction and set up terms by which the USPA could use its name and certain logos on apparel, leather goods, and watches, the parties went to trial on whether four variants of the Double

Horseman Mark infringed PRL's logo. See PRL USA Holdings, Inc. v. U.S. Polo Ass'n, Inc., No. 99 Civ. 10199, 2006 WL 1881744, at *5 (S.D.N.Y. July 7, 2006). After a trial before the Honorable George Daniels, a jury returned a verdict finding that one of the four variants infringed PRL's trademark, but three did not. See id. at *3-4. The Second Circuit affirmed that judgment in 2008. See PRL USA Holdings, Inc. v. U.S. Polo Ass'n, Inc., 520 F.3d 109 (2d Cir. 2008).

The instant case was filed in 2009, with the USPA Parties seeking a declaratory judgment allowing them to sell fragrance products with featuring the name U.S. POLO ASSN., the Double Horseman Mark, and the number 1890 (for the year the USPA was founded). On May 13, 2011, after a bench trial, this Court issued an Opinion finding, inter alia, that the USPA's fragrance plan infringed on PRL's marks and that the USPA had acted in bad faith. U.S. Polo Ass'n, Inc. v. PRL USA Holdings, Inc., 800 F. Supp. 2d 515 (S.D.N.Y. 2011). A permanent injunction was issued barring the USPA from using the Double Horseman Mark in the sale of fragrances and beauty products, and from "using the PRL marks or any other name or mark, including the image of one or more mounted polo players, that constitutes a colorable imitation of or is confusingly similar to PRL's Polo Player Logo . . . ." See SDNY Contempt Opinion, 2013 WL 837565, at *4 (the "Fragrance Injunction"). The USPA parties appealed and the Second Circuit

affirmed. U.S. Polo Ass'n v. PRL USA Holdings, Inc., 511 F. App'x 81 (2d Cir. 2013).

In April of 2011, the USPA filed an application with the U.S. Patent and Trademark Office, seeking to use the Double Horseman Mark on eyewear, sunglasses, and related paraphernalia. SDNY Contempt Opinion, 2013 WL 837565, at *5. PRL opposed the registration, and also filed a motion in this Court, arguing that the attempt to use the Double Horseman Logo on eyewear violated the Fragrance Injunction. (Dkt. No. 98.) The motion for contempt was granted by an Opinion dated March 6, 2013, which found that the Fragrance Injunction covered the use of the Double Horseman Mark on eyeglasses and that PRL had shown by clear and convincing evidence that its use amounted to a colorable imitation of PRL's logo. See generally SDNY Contempt Opinion, 2013 WL 837565.

The Second Circuit reversed and vacated that decision on appeal. See U.S. Polo Ass'n, Inc. v. PRL USA Holdings, Inc., 789 F.3d 29 (2d Cir. 2015) (the "Second Circuit Contempt Opinion"). The Opinion held that the contempt decision "requires a market-by-market analysis regarding confusing similarity." Id. at 34. Upon remand, the Court was instructed that in order to issue a finding of contempt, it must be established that 1) a reasonable firm in USPA's position, knowing the context of the Fragrance Injunction, would have been

on clear notice that use of the Double Horseman Mark on eyewear would violate the injunction; and 2) that the finding of confusing similarity is supported by clear and convincing evidence. Id. at 35-36. The Circuit stated that the current record could not support either finding. Id. at 36.

On August 3, 2015, the USPA Parties filed a motion for judgment as a matter of law, geared solely toward the clear notice prong. (Dkt. No. 140.) PRL filed its opposition papers on September 17, 2015 (Dkt. No. 146), the USPA Parties replied on October 8, 2015 (Dkt. No. 148), and the motion was heard on October 14, 2015.

Applicable Standard

The Plaintiffs style their motion as one for judgment as a matter of law, but do not specify what Federal Rule of Civil Procedure they seek relief under. Federal Rule Procedure 50(a) provides for a motion for judgment as a matter of law, but is applicable only if "a party has been fully heard on an issue during a jury trial." The instant proceeding is one for contempt, in which PRL contends that the USPA parties violated an injunction entered after a bench trial. See USPA, 2013 WL 837565 at *1. This procedural context cannot support a motion for judgment as a matter of law, which "is inapplicable to non-

jury trials." Boyke v. Superior Credit Corp., No. 01-CV-0290, 2006 WL 3833544, at *12 (N.D.N.Y. Dec. 28, 2006). The instant motion will therefore be treated as one for summary judgment under Federal Rule 56(a), and PRL's request to defer or deny the motion in favor of targeted discovery as having been brought under Federal Rule 56(d). See Cruz v. Staley, No. 9:08-CV-1273, 2012 WL 98482, at *3 (N.D.N.Y. Jan. 12, 2012) *aff'd*, 577 F. App'x 67 (2d Cir. 2014) (denying as premature a motion for judgment as a matter of law that should have been brought as a summary judgment motion, but noting that the Court could have treated it as such); see also Hotel St. George Assocs. V. Morgenstern, 819 F. Supp. 310, 323-34 (S.D.N.Y. 1993) ("For the foregoing reasons, defendants' motion for judgment as a matter of law, which this court has treated as a motion for summary judgment, is granted."); Boyke, 2006 WL 3833544 at *12 (converting improperly-brought motion for judgment as a matter of law into one for judgment on partial findings under Rule 52(c)). The Rule 56 summary judgment standard "mirrors" the requirements for judgment as a matter of law under Rule 50(a). Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 250 (1986).

Summary judgment is appropriate only where "there is no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law." Fed. R. Civ. P. 56(c). A dispute is "genuine" if "the evidence is such that a

reasonable jury could return a verdict for the nonmoving party." Id. at 248. The relevant inquiry on application for summary judgment is "whether the evidence presents a sufficient disagreement to require submission to a jury or whether it is so one-sided that one party must prevail as a matter of law." Id. at 251-52. A court is not charged with weighing the evidence and determining its truth, but with determining whether there is a genuine issue for trial. Westinghouse Elec. Corp. v. N.Y. City Transit Auth., 735 F. Supp. 1205, 1212 (S.D.N.Y. 1990) (quoting Anderson, 477 U.S. at 249).

Summary judgment should only be granted after the nonmoving party has had "'an opportunity to discover information that is essential to his opposition.'" Hellstrom v. U.S. Dep't of Veterans Affairs, 201 F.3d 94, 97 (2d Cir. 2000) (quoting Trebor Sportswear Co. v. The Limited Stores, Inc., 865 F.2d 506, 511 (2d Cir. 1989)). Courts have found grants of summary judgment premature in circumstances where parties have not had "a fully adequate opportunity for discovery." See, e.g., Berger v. United States, 87 F.3d 60, 65 (2d Cir. 1996); Sereika v. Patel, 411 F.Supp.2d 397, 405 (S.D.N.Y. 2006). Where a nonmovant has shown that it cannot present facts essential to justify its opposition, the court may defer the motion, deny it, allow time for additional discovery, or issue any other appropriate order. Fed. R. Civ. P. 56(d). The decision is

committed to the discretion of the district court. See Continental Cas. Co. v. Marshall Granger & Co., LLP, 921 F. Supp. 2d 111, 126-27 (S.D.N.Y. 2013).

The Motion is Denied

The USPA's motion is limited to the first prong of the requirements laid out by the Second Circuit in its remand - whether a reasonable firm in USPA's position would have been on "clear notice" that use of the Double Horseman Mark on eyewear violated the Fragrance Injunction. (See USPA Br., Dkt. No. 141, at 15.) Resolution of this issue will necessarily involve a factual inquiry, rendering summary judgment inappropriate at this stage. Cf. Prodigy Servs. Co. v. S. Broad Assocs., 64 F.3d 48, 52-53 (2d Cir. 1995) ("a notice question ordinarily raises a question of fact inappropriate for resolution by summary judgment").

Contempt may only be established when the Court's order was clear and unambiguous, defined as an order that leaves "no uncertainty in the minds of those to whom it is addressed." King v. Allied Vision, Ltd., 65 F.3d 1051, 1058 (2d Cir. 1995). Although the clarity of the order is based on the ability of a reader "to ascertain from the four corners of the order precisely what acts are forbidden," Gucci Am., Inc. v. Weixing

Li, 768 F.3d 122, 143 (2d Cir. 2014) (citing King, 65 F.3d at 1058), the practical determination of whether a party did understand or should have understood a court order to proscribe specific conduct ordinarily involves a factual inquiry into that party's situation and the allegedly violative acts. See, e.g., Drywall Tapers and Pointers, Local 1974 v. Local 530, Operative Plasterers Int'l Ass'n, 889 F.2d 389, 395-96 (2d Cir. 1989) (marshalling facts to resolve question of whether union knew injunction applied to its conduct); see also Perez v. Danbury Hosp., 347 F.3d 419, 424 (2d Cir. 2003) (chiding district court for adjudicating the clarity of a consent decree in a contempt proceeding "in a vacuum" and without "reference to the conduct in question.").

Under the Second Circuit's Opinion, such a factual analysis is required in this case. Judge Winter noted that there "is no record before us as to the application of market-specific factors to the eyeglass and fragrance/cosmetic markets" and declared that his Opinion did not preclude a resumption of the contempt proceedings. Second Circuit Contempt Opinion, 789 F.3d at 35. Similarly, the Opinion states that "*at least without an evidentiary record demonstrating otherwise*, the eyeglass and apparel industries seem closer to each other than either is to the fragrance/cosmetic market." Id. at 34 (emphasis added). PRL must be afforded the opportunity to develop that evidentiary

record, rendering summary judgment inappropriate at this stage.

Conclusion

The USPA's motion for judgment as a matter of law, treated as a motion for summary judgment, is denied pursuant to Federal Rule of Civil Procedure 56(d)(1).

It is so ordered.

New York, NY
January 21, 2016

ROBERT W. SWEET
U.S.D.J.